Title: Need to protect the interests of arecanut growers in the country.

SHRI P. KARUNAKARAN (KASARGOD): Sir, I would like to place before the Government a serious situation prevailing in the areca-nut farming areas in different parts of the country. India is considered as the largest areca-nut producing country in the world, and the cultivation of areca-nut is mostly confined to the States of Karnataka, Kerala, Goa and Assam. More than 10 lakh families are directly involved in the cultivation of areca-nut and about 50 lakh people are involved in the production, processing and marketing of areca-nut.

Hence the crisis in this sector will directly affect the livelihood of crores of people in our country.

About 5 lakh million tonnes of areca nuts are being produced in our country. The consumption in the domestic market is less than this. The price of the areca nuts has sharply declined mainly because of unhindered imports from countries like Burma, Indonesia, Thailand, Sri Lanka, Bangladesh, etc. Through legal and illegal ways, some countries utilize the SAARC benefit through Petropol near Bangladesh border. The cheaper quality of areca nuts are imported and being sold with Rs.35 kg. to Rs. 40 per kg. which is not at all comparable with the prices in India. Traders in India are availing the benefit of Advance Licenses sanctioned during previous years.

The production cost of areca nuts was estimated at about Rs. 60 per kg. even during 2001. But the actual price they are getting is in the range between Rs. 40 and Rs. 50 per kg. The areca nut growers in Kerala, Karnataka and other such States incessantly incur heavy losses. Though State Government takes some steps to assist farmers yet due to the imported goods, desired result has not been received. Due to severe crisis in this sector, hundreds of farmers have already committed suicide. To provide immediate relief to the farming sector, the Government should take urgent steps such as cancellation of all the advance licenses sanctioned for the import of areca nuts, enforce strong measures to ban cheaper quality products, prevent illegal entry of products, etc. The Government should also raise the import duties to protect the interest of the domestic farmers.